

EXHIBIT 98

Three University Presidents Discuss the Future of Higher Education

Dr. Ángel Cabrera
President
George Mason University

Dr. John DeGioia
President
Georgetown University

Dr. Steve Knapp
President
The George Washington University

September 9, 2015

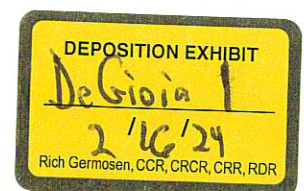
Excerpts from the Panel Discussion

What is the cost of tuition at your institution: Mr. Knapp: about \$60,000; Mr. Cabrera: \$10,000 in-state; Mr. DeGioia: \$60,000.

Why do tuitions for higher education continue to rise? Mr. Cabrera: I'll tell you what's going on in the public sector. The private sector, of course, has a different dynamic. What's happened is, within less than a generation, we basically changed the deal on students. When most people in this room went to college, if you wanted to go to a public school the deal was: You're going to have to pay a little bit of the cost of your education, maybe 20 percent of it. The rest is going to be provided to you by the state. In less than one generation, we flipped that around and we've said, sorry, the state cannot be as generous as it once was with you. You are on the hook for most of it.

So in other words, there's been a constant decline of state appropriations per student in all the public universities across the country. When you look at the curve of how appropriations have gone and how tuition has evolved, they are the mirror image. That is the single-most important factor that has affected this.

Mr. DeGioia: I'd like to pick up on Ángel's point, because this is really, really important. More than 80 percent of higher education in the United States takes place in public institutions. And what Ángel describes is the crisis that we have right now in American higher education. We regarded education and research as public goods. In 1975, more than 60 percent of the budgets for state universities came from the states. Today it's under 35 percent. That is unsustainable for us if we want to ensure the next generation are going to have the kinds of opportunities that we had.



What percentage of your students need financial aid? Mr. Knapp: close to 70%. Mr. DiGioia: about 55%, but we are need-blind.

Average student loan upon graduation? Dr. Cabrera: \$27,000; Dr. Knapp: closer to \$30,000; Dr. DeGioia: we package \$17,000, they take out \$25,000.

Do they generally pay it back? Dr. DeGioia: 99 point something percent.

What percentage of your students are minority? First-generation? Mr. Knapp: about 30% minority undergraduate, international is on top of that; 15% first-generation; Mr. Cabrera: more than 50% minority, one-third first-generation; Mr. DiGioia: 42% minority, 15% first-generation.

What advice do you give students?

Mr. Cabrera: What I say is come with an open mind and reach out to people who are different from you. I always say, learning doesn't happen when you very effectively convince others that they're wrong and that you're right. Learning happens when you start considering that maybe your assumptions may be flawed. And the place where that happens is when you reach out. And you're liberal, you meet a conservative. You're white, you work with a black person. You're local, you work with an international student. That's when the learning truly takes place.

Mr. DeGioia: Well, the most important thing that happens during an undergraduate's career is they engage in the work of formation – the formation of their intellect, the formation of their heart, the formation of their soul. And the conceit of the university, the idea of the university, is that the best way to frame the work of formation in our context is around knowledge, is around understanding the methodologies, understanding the current state of knowledge. And the best guides for that are our faculty, and then their conversations with one another.

Mr. Knapp: Well, the advice I give the students is get to know individual members of the faculty. I think that's the single most important advice that I can give them. And get to know their fellow students, because the networks they form will really pay off for the rest of their lives.

DAVID RUBENSTEIN: Welcome, members and guests of The Economic Club of Washington, to this breakfast meeting in the Renaissance Ballroom, Renaissance Washington D.C. Hotel. This is the second event of our 29th season. I'm David Rubenstein, president of The Economic Club of Washington. I want to welcome all of you to what will be a very interesting discussion of higher education. Our panelists this morning will be Dr. Ángel Cabrera, president of George Mason University, Dr. Jack DeGioia, president of Georgetown University, and Dr. Steve Knapp, president of George Washington University. So I think we'll have a very interesting conversation with these distinguished educational leaders.

Now, since we announced this panel, I have received a lot of emails from other universities in the metropolitan area and in Virginia and Maryland, asking how come they're not on the panel? The answer is, we can do more but you had to have the name "George" in your university. [Laughter.] So that was the unifying factor. So we have

three people who have the name "George" somewhere in their university. So let me introduce our very distinguished guests.

On my immediate left is Steve Knapp. Steve is the 16th president of The George Washington University. The George Washington University was started in 1821, following the image and recommendation of President Washington that there be a university in the District that would create citizen leaders. The university now has 25,000 students, endowment of about \$1.6 billion. Steve I've known for quite a while, because he and I were involved at Johns Hopkins. Steve grew up in New Jersey. He got his undergraduate degree at Yale, his Ph.D. and master's at Cornell. Taught at Berkeley in English literature. And then came to Johns Hopkins, where he ultimately became the dean of arts and sciences, and later the provost, before he joined The George Washington University. He joined there in July of 2007. All right. [Applause.]

Ángel Cabrera is president of George Mason University. George Mason University is a university of about 34,000 students. It actually was set up initially as an adjunct to the University of Virginia in around 1957, but became independent in 1972. It is a public university. Other schools here are private universities. Ángel is a native of Spain. Got his undergraduate and master's degree in the leading engineering school in Spain, and then came over to the United States, got a master's degree and a Ph.D. at Georgia Tech, had a variety of jobs in the private sector, and also began to get involved in the academic world. Went back to Spain, and became the head of the IE Business School, which is the leading business school in Madrid, and then came back to the United States and was president of the Thunderbird School of Global Management in Arizona, before coming in 2012 to George Mason. Thank you very much. [Applause.]

Jack DeGioia is the 48th president of Georgetown University. Georgetown was started in 1789 and it is the oldest Catholic institution of higher learning in the United States, and oldest, I guess, Jesuit institution of higher learning as well. Georgetown is a university of about 17,000 students, endowment of about \$1.5 billion or so. Jack has spent most of his career at Georgetown. He got his undergraduate degree there, his master's degree there, his Ph.D. there. He became the senior vice president there and dean of students before becoming, in 2001, the 48th president of Georgetown. Thank you very much. [Applause.]

All of you are very involved in the community in Washington. We're very grateful for that. I wonder, when you go shopping, do people come up to you and say, how can I get my kid into your school? Does that ever happen to you? [Laughter.] No?

MR. KNAPP: Well, yes, I think it's a question on every family's minds these days, especially when there's so much publicity about how competitive college admissions tend to be. You know, I give the same advice whenever that question arises. I think it's really important for students and their families to look carefully at the options that are available to them. You know, we benefit tremendously in this country from having an extraordinarily diverse set of institutions, not just large research universities like ours but

rural colleges that are often neglected by families. They don't think about the match that would be best for their daughter or their son to explore.

And if you're interested in going to an institution, the most important thing, in my view, is to visit the place, really understand what the programs are, understand the options. Of course, you know, there's all the standard advice about having a well-rounded high school education, being involved in activities outside of the classroom, and all that. But I think the most important thing is to really look for a match. All universities want to have students who are going to succeed and are going to be the right fit for the education that they're providing. In our case, we bring students who want to make a difference and want to change the world, they want to be connected with history. It's a kind of hallmark of an institution located in the heart of the District of Columbia, but there are many other options that are out there for students.

MR. RUBENSTEIN: So but if a big donor -- [laughter] -- has a child who may be marginal, what do you tell the donor?

MR. KNAPP: I would say, really carefully explore our university and all it has to offer. [Laughter, applause.]

MR. DEGIOIA: We've never met a marginal child of a big donor. [Laughter, applause.]

MR. RUBENSTEIN: But do you have people calling you all the time, telling you why their children deserve to get in? And does that happen a lot?

MR. DEGIOIA: You know, we live in relatively small worlds, but in those small worlds we do get a lot of attention. And I think that, to Steve's earlier point, in my family it's kind of a wager when we go out in public, how long will it be before somebody comes up and says, oh, I've got a child who's very interested. [Laughter.]

MR. RUBENSTEIN: How long does it usually take? Not too long?

MR. DEGIOIA: [Laughs.] It's not too long.

MR. RUBENSTEIN: OK. Ángel, do you have people come at you all the time?

MR. CABRERA: All the time. About 82 percent of our students come from Virginia, many of them from Northern Virginia. Because of the nature of our university and our missions around access, they do one or two jobs while they're taking classes at Mason. So it's impossible to go to a restaurant or to go shopping, to go do pretty much anything, without this coming up. And I love it, by the way, I should say.

MR. DEGIOIA: Steve said something very important a moment ago that I just would pick up on, and that is, you know, oftentimes when somebody will come up to us, they really have an interest in the very best for their child. And getting a feel for the place,

getting a sense of, is this the right fit for somebody, is the most important question that you could wrestle with.

So when somebody says to me, my child's really interested in Georgetown, and I say, well, where else are they applying? And they say, oh, well, Columbia, Penn, Chicago, that makes sense. There's a fit there – the urban, research university. If they say, well, you know, right now Georgetown and then Williams, Bowdoin, and Amherst, that doesn't make sense because those are different size, scale, scope – different kind of undergraduate experience that you would have there. So finding the right fit, getting to know the place, ensuring that it's a place that'll bring out the very best in you is the question we really ask.

MR. RUBENSTEIN: Now, today *The Washington Post* carried a story that *U.S. News* has come out with its annual rankings. Is that something that you like, these rankings? Do you hate these rankings? Do you think they're fair?

MR. KNAPP: You know, I think we probably all agree that the problem with the rankings is they apply a one-size-fits-all methodology. And again, I think it overlooks that diversity of institutions and missions and the character of the institution, the kinds of students who can take advantage of what institutions have to offer. That's not really reflected very effectively in these rankings.

You know, that said, I think that that's one source of information for families to explore. There are multiple rankings. They compete all the time. We were talking about this earlier, they change methodologies so that people remain interested in purchasing the magazine. In the case of *U.S. News*, I understand that they do rankings of not just universities, but also of hospitals and other products and so on — really pays for the whole operation of that magazine. So I understand the economic equation there, it makes sense. [Laughter.] But it's one source of information. Our approach is, never do anything to affect the rankings that isn't something that makes sense to do for its own sake, because it's going to improve the institution, it's going to improve the quality of what we have to offer.

MR. CABRERA: Our liking of rankings is directly proportional to how high we show up in them. [Laughter.] In the case of *U.S. News*, we like it OK. [Laughter.] But more seriously, I do have a philosophical issue with the *U.S. News*. Its ranking, as Steve said, measures a different set of variables. But the one variable that is critical in the *U.S. News* ranking is this thing called selectivity. Now, selectivity sounds great, how selective our school is. Now, if you turn it around, selectivity means how many talented and willing individuals you choose not to serve. That's what selectivity means. So if you think about it, it's like – what would you tell about industry where your prestige and your reputation is based on how many talented people you choose not to serve. To me, that's a head-scratcher. We pride ourselves of actually serving as many talented people as we can, and giving them a chance in life.

MR. DEGIOIA: Yes, they both bring up really important points. And I would say that for us, we have to pay attention. But at the same time, we try to keep perspective. We haven't changed our ranking really in about 30 years. And we're ranked right next to U.C. Berkeley. So for us to be in the same conversation with U.C. Berkeley is fantastic. But we're in commensurable institutions, and it gives you a sense of the limitations of the rankings.

MR. RUBENSTEIN: What do you do when your basketball coach says: I have a seven-foot-one player – [laughter] – who is just the best basketball player I've ever seen, but he really is not good at taking tests and really doesn't want to take the SATs, or wouldn't do well in them? How do you deal with these issues of getting athletes when you have athletic teams that are important to your alums and to your students? Do you ever face this problem? [Laughter.]

MR. CABRERA: Never. Never.

MR. KNAPP: I think it's important that the student really explore everything the university has to offer. [Laughter.]

MR. CABRERA: I do have to say, though – and people are sometimes surprised to know – for almost every year our student athletes have higher academic outcomes than our average student in terms of time to degree, in terms of GPA, in whatever measure you utilize. And honestly, when you see the experience that a student athlete goes through it's not at all surprising. I mean, they have tutors. They're mentored. You have people paying attention to them and to their experience the whole time.

MR. DEGIOIA: And they commit to 20 hours a week, in-season, out-season, to their sport. But what I would say, David, our numbers are the same as Ángel describes. We've had a Thompson coaching our basketball team for most of the last 45 years. And the graduation rates under both have been very good.

MR. KNAPP: So when you hear the controversy about athletic programs, I mean, our institutions, I think, really, it's fair to say, are committed to the ideal of the student athlete. And we want to see our students succeed in the classroom as much as on court. And I think our coaching staff tend to share that perspective. So it's a little bit different from what you hear when these controversies arise at some of these other institutions.

MR. RUBENSTEIN: How do you deal with the question that often arises that tuition seems to go up inexorably 4 percent a year – maybe 3.9, 4.1 – and the cost of tuition at your university for undergraduate is –

MR. KNAPP: The overall cost is about \$60,000.

MR. RUBENSTEIN: Overall cost. And your university is about?

MR. CABRERA: \$10,000 a year in-state.

MR. DEGIOIA: \$60,000.

MR. RUBENSTEIN: OK. So at those prices, what percentage of your students need scholarships, or what percentage of them are on financial aid?

MR. KNAPP: So, in our case it's close to 70 percent in some form....

MR. DEGIOIA: We're about 55, but we are a little bit different in the sense that we're need-blind, so we don't regard ability to pay as a relevant factor in admissions. And then we're committed to meeting the full cost – we meet full need. And so for us, right now it's about \$110 million of undergraduate support we provide to our students every year.

MR. RUBENSTEIN: Every year? Where do you get that \$110 million from? Your endowment isn't that big.

MR. DEGIOIA: Current use, fundraising, generous university community, and the endowment that we have. We've raised more money in the last seven years for scholarships than in the previous 220.

MR. RUBENSTEIN: But what do you say about the criticism that some people have that prices are just going up because you're not constraining costs enough.

MR. KNAPP: Well, you know, I think it is a concern, partly because we really have a challenge that's a growing challenge in this country, which is providing access and ensuring the success of students from backgrounds where they may have no previous experience of college, they may be coming from lower-income or recent immigrant families. And affordability is a challenge. You see that reflected in the fact that every year the amount of financial aid that's provided in many cases is going up faster than the rate of tuition, which tells you that there is a challenge there.

When I first arrived – I'm now in my ninth year – but the day I arrived, the very first day I arrived, I met with all the vice presidents and said: We really have to focus on this question of affordability. We have a fixed tuition program, which means that students don't pay more after the first year for up to five years, if they remain in good standing, and they maintain their scholarships during that period at whatever rate they came in with. And we've moderated our tuition increases. We've kept them about the rate of inflation for all the years that I've been here, and we focused on raising more funds for financial aid for scholarships to support students.

But I do think this is a challenge, because every year we find that, you know, the affordability challenge becomes greater and greater. And the question is, what do you do about that? Philanthropy's one of the answers. Looking for efficiencies – one of the things we've been doing, we've been trying to take cost out of our business infrastructure so that we can put more into our academic programs. All of us are facing that national challenge, I think.

MR. RUBENSTEIN: Let's talk about your student bodies. Your percentage of students that are minority, would you say, is what? Minority –

MR. KNAPP: So it's about 30 percent for our undergraduate. It's a little bit smaller – that's not counting our international students, which would be on top of that.

MR. RUBENSTEIN: And what percentage would you say are first generation students in your undergraduate?

MR. KNAPP: First generation is more like 15 percent, something like that.

MR. RUBENSTEIN: Your percentage would be higher, I assume....

MR. CABRERA: Minority this year – more than 50 percent are minorities and about a third are the first in their generation to go to college. So the issues around access are central to what we're doing.

And back to your earlier question about what do you say about the criticisms, this is something that is not discussed – the typical criticism is you guys are building fancy facilities and climbing walls and all this stupid stuff that doesn't add any value. You're wasting money, and that's why you're tuition is going up.

I'll tell you what's going on in the public sector. The private sector, of course, has a different dynamic. What's happened is, within less than a generation, we basically changed the deal on students. When most people in this room went to college, if you wanted to go to a public school the deal was: You're going to have to pay a little bit of the cost of your education, maybe 20 percent of it. The rest is going to be provided to you by the state. In less than one generation, we flipped that around and we've said, sorry, the state cannot be as generous as it once was with you. You are on the hook for most of it.

So in other words, there's been a constant decline of state appropriations per student in all the public universities across the country. When you look at the curve of how appropriations have gone and how tuition has evolved, they are the mirror image. That is the single-most important factor that has affected this.

MR. RUBENSTEIN: Minority?

MR. DEGIOIA: Forty-two percent minority.

MR. RUBENSTEIN: First generation?

MR. DEGIOIA: About 15 percent.

MR. RUBENSTEIN: And do you think that minorities should include people who are Jewish? [Laughter.] I mean, those would elevate the minority statistics, you know?

MR. DEGIOIA: No, even in a Catholic university we don't regard that as one.
[Laughter.]

MR. RUBENSTEIN: Now, do you have a hard time getting Jewish students to go to Georgetown?

MR. DEGIOIA: No. You know, we were the first Catholic university to hire a full-time rabbi in 1968. First to have a full-time imam in '99. But the rabbi who was with us just passed last week – Rabbi Harold White. And he used to love to tell people stories that 48 of his former Georgetown students went on to become rabbis, which made us the number-one producer of rabbis around. [Laughter, applause.]

MR. CABRERA: Nice.

MR. RUBENSTEIN: Wow, OK. So – [laughter] – but a rabbi at Georgetown. That person is going to heaven.

MR. DEGIOIA: Absolutely. [Laughter.] But I'd like to pick up on Ángel's point, because this is really, really important. More than 80 percent of higher education in the United States takes place in public institutions. And what Ángel describes is the crisis that we have right now in American higher education. We regarded education and research as public goods. In 1975, more than 60 percent of the budgets for state universities came from the states. Today it's under 35 percent. That is unsustainable for us if we want to ensure the next generation are going to have the kinds of opportunities that we had.

MR. RUBENSTEIN: Tuition that somebody pays, \$60,000, what percent – what does it really cost to undergraduate education? If somebody pays \$60,000, the real cost of getting that person educated that year, is it two or three times that, or?

MR. DEGIOIA: That is then a direct reflection of how wealthy an institution you are, because the endowment that you bring per student is what enables you to answer that question.

MR. RUBENSTEIN: Let me ask you, you are the first lay person to be the president of Georgetown. So you had 47 predecessors who were priests.

MR. DEGIOIA: Right.

MR. RUBENSTEIN: So what is like to be the first lay president of Georgetown? Was that unusual?

MR. DEGIOIA: It was, yes. And I was as surprised as anybody when we were given the opportunity.

MR. RUBENSTEIN: Now, you actually recently, Steve, eliminated SATs from applicants. I guess they can –

MR. DEGIOIA: Well, made them optional.

MR. RUBENSTEIN: Optional, right. And if they're optional, presumably they don't want to do them, or do people still fill out the SATs, or?

MR. DEGIOIA: Well, this is something we just started, so we're going to have to find out how it –

MR. RUBENSTEIN: And what was the reasoning behind it?

MR. DEGIOIA: Other institutions have had, I think, a pretty interesting experience with this. Wake Forest, for example, has been doing this for a number of years. Actually, American University preceded us in doing the same thing. And Wake Forest found that it really improved not only their ability to attract and recruit, but also to retain students coming from the kinds of backgrounds we were talking about – minority families, first-time college going families, lower income communities.

And the way I think about this is – and you probably had the same experience – when I prepared for the SATs some time ago, right, my preparation consisted of sharpening a bunch of number-two pencils. That was it. Nowadays, families who can afford it take many hours of tutoring and they –

MR. RUBENSTEIN: \$600 an hour, I think it is, in some cases.

MR. DEGIOIA: It is extremely expensive, if you can afford to do it. So what was originally designed to be an instrument of equality, the SATs were supposed to enable colleges to identify students who weren't coming from private schools but from a much broader array of schools and they were going to be an equalizer, now they've become an instrument of inequality because families that can't afford those tutoring classes or that don't live in wealthy school districts that provide that kind of support are not going to perform as well.

A relative in my family told me that her daughter, when she took one of these tutoring classes, was guaranteed a 100-point increase on the math score of the SATs, and that happened. She paid for the course and her score went up 100 points.

MR. RUBENSTEIN: What's the name of that course? [Laughter.]

MR. DEGIOIA: So what that tells you is this has become a problem for identifying students. And what we're interested in is finding students who are going to really succeed and take advantage of what we have to offer. And that's what drives it.

MR. RUBENSTEIN: OK. And, Ángel, do you find that SAT scores really are a good predictor of how people do in college?

MR. CABRERA: They are, but there are better predictors. And probably the best predictor is something very simple, is GPA. SATs are a measure of cognitive ability, general intelligence. But honestly, to actually get the work done, there are lots of other factors that come into that.

MR. RUBENSTEIN: Now, when people write these essays for college applications, how many people do you think really write these essays as opposed to having people help them write it. How can you tell, or you don't pay attention to the essays?

MR. DEGIOIA: You know, we pay a lot of attention – we don't use a common application, so everyone who applies to Georgetown has to go through the whole process, including all of our essays. And the combination of having the opportunity of looking at the high school transcript, that's the most important piece we would have access to – looking at the essays, looking at how those who write for them describe them – the combination. We also interview every student who applies to the institution.

MR. RUBENSTEIN: So if somebody has a 2.5 average and their essay reads like Hemingway, would you suspect that maybe somebody helped or something?

MR. CABRERA: Maybe. [Laughter.]

MR. DEGIOIA: They may have different kinds of gifts that don't show up in the traditional way. [Laughter.]

MR. RUBENSTEIN: All right. OK. So let me ask you, what percentage of your students who graduated, let's say, last year or even last years have jobs?

MR. DEGIOIA: Virtually – right, this is a great economy for college graduates. You know, for a college graduate right now 3 percent unemployment. Most of our graduates are employed. Here's what's interesting, though. Right out of school they do very, very well. Average income for a college graduate right now, first job out, is \$46,000. This is not bad. But they'll change jobs five times in the first 10 years. And the average age for financial independence in our country today is 31 years of age. So they're fully employed at 22. This is a great economy for a 22-year-old. But to finally settle on your career track, it takes about a decade.

MR. RUBENSTEIN: I'd be happy with 31, but OK. So let me ask you, what percentage of your graduates actually go to graduate school as opposed to work?

MR. DEGIOIA: Immediately out of school, about 15 percent – immediately after undergraduate.

MR. RUBENSTEIN: Fifteen? And what about at GW? What percentage are –

MR. KNAPP: It's probably more. Between graduate and professional school, it's more like 20 percent that would go to some kind of program.

MR. RUBENSTEIN: And how many are employed – the people that get –

MR. KNAPP: Probably right to a job, I think the last number I saw was about 55 percent. And then there are also students who go into things like Peace Corps and other kinds of service, you know, fields that don't fit in either one of those numbers.

MR. CABRERA: Very similar numbers. But I'll tell you what, back to the rankings question, I'll tell you this is one ranking we love. We were recently recognized as having the lowest student loan default rate among public universities. And that is an indicator that matters. That's an indicator that matters, because it's a function of how much is the cost of the education and the –

MR. RUBENSTEIN: And when somebody graduates from your university, average loan, what type of loan – how much –

MR. CABRERA: \$27,000.

MR. RUBENSTEIN: \$27,000? And you're at –

MR. KNAPP: We're probably closer to \$30,000

MR. RUBENSTEIN: \$30,000? And –

MR. DEGIOIA: We package \$17,000, they take out \$25,000.

MR. RUBENSTEIN: OK. And they generally pay it back?

MR. DEGIOIA: Ninety-nine-point-something percent.

MR. RUBENSTEIN: Well, in your case you have God looking down if they don't pay it back. [Laughter.] Right? OK.

MR. DEGIOIA: Stakes are high. [Laughter.]

MR. RUBENSTEIN: So what do you see as the biggest single problem facing American higher education today – the biggest challenge –

MR. KNAPP: Well, apart from the one we mentioned earlier, and I certainly agree with Jack. You know, we run private universities. We're a smaller part of the picture than the public universities. And that major challenge that Jack and Ángel both described of the decline in funding for public education is, I think, the biggest single national challenge that we're facing. If you look at higher education with a long view, however, it seems to

me that our challenge is to balance the need to preserve the core academic disciplines on which the whole progress of knowledge over centuries has relied, and really has been the major driver of economic progress and even progress in things like the improvement of human health and our lifespan and everything else.

We have to balance that with a more market-oriented, more nimble, more flexible way of approaching our resource questions. And that means developing courses that are market-oriented that really address the needs of multiple constituents that they bring to us, but not doing that at the expense of preserving those core academic disciplines that are the basis of knowledge.

MR. RUBENSTEIN: Ángel, what would you say the biggest challenge is?

MR. CABRERA: We don't have the best system in the world, as we once did. And that has to be very clear to everybody. Now, we do have the best universities in the world. And when you look at the international rankings and the Shanghai rankings or what have you, about half of the top 100, half of the top 200, they're American universities. And it is true, we have some of the best universities in the world that are in this country.

But when you look at the system as a whole, there are some serious issues that we're facing. We're no longer leading the world in terms of percentage of graduates in the economy, at a time when our economy needs more graduates. We're not leading the world in terms of learning outcomes and standardized tests and, you know, how well people can do math and so forth. And we're having serious issues around access with the skyrocketing tuition.

MR. DEGIOIA: We don't have enough higher education. Let me give you three numbers. Every year, 440,000 kids who score in the top half of the SAT or ACT, if they go into a top 400 college or university, would graduate at a rate of over 80 percent. If they graduate, lifetime earnings over the course of their lives – they'll learn a million dollars more than if they just had a high school degree. And our economy produces far more jobs that require post-secondary education than post-secondary education provides people for those jobs. Eleven million more jobs in the next decade will be created than we'll be able to provide people for those jobs.

MR. RUBENSTEIN: Well, what do you think of people who say to some high school students, don't go to college. You'll be better off without a college degree.

MR. DEGIOIA: They're always talking about somebody else's kids.

MR. CABRERA: That's exactly right.

MR. DEGIOIA: Ninety-four percent of every parent, Pew survey indicated, their kids were going to college. Twenty percent say college is important for the future of –

MR. RUBENSTEIN: Do you have parents come to any of you and say, look, my child wants to major in history or wants to major in romance languages, and I want him or her to major in STEM so they can get a job? What do you tell those parents that these humanities and arts sciences subjects are not going to be useful to them, or what?

MR. KNAPP: I'm going to guess we all agree on this. I mean, it seems to me that what really matters is that the student finds a course of study that really enables him or her to achieve their aspirations and to enjoy the excitement of discovery and to perform well so that they can acquire the skills that they're going to need out in the workplace. I mean, the irony when people talk about how you need to get some kind of vocational training and higher education is they're missing out on what employers themselves will tell us they really need to succeed, which is the ability to think critically, the ability to work in teams, the ability to analyze, the ability to communicate and to have effective communication skills.

They can acquire that in any field they can enter into in any of our college and universities if they work hard in those fields. And they're going to work hard in those fields if they are excited by what's occurring in the classroom. So it does not matter what a student majors in. And you can point to multiple examples of people who major – it doesn't matter if it's music, classics, microbiology. It's got to be something the student's excited about. And the most important thing for them to do is to get connected to faculty who will inspire them, will open doors for them, and really show them a path forward into that acquisition of skills that will make a difference for the rest of their lives.

MR. CABRERA: Just one qualification. Obviously, you have to do what makes you happy, what you're passionate about. But other things being equal, if you're open to a number of choices, computer science, STEM degrees, that's where the jobs are today. So if that's what you're inclined to or if you have – you know, if you're hesitating between majors, I would say go for it. That's where the jobs are.

MR. DEGIOIA: Follow your passion. A liberal arts education is of incalculable worth. A STEM preparation is an immediate roadmap to the economy.

MR. RUBENSTEIN: Clark Kerr, the famous former chancellor of the University of California system, famously said that being a university president isn't that difficult. All you have to do is take care of parking for the faculty, football for the alums, and sex for the students. [Laughter.] Is that –

MR. DEGIOIA: I thought it was alcohol for the – but that's OK. [Laughter.]

MR. RUBENSTEIN: All right, well, actually, let's talk about the problems that you often have on campus now. Are drugs a big problem right now on campuses?

MR. KNAPP: Yes, I mean, I think alcohol is the most salient problem.

MR. RUBENSTEIN: And if the law were changed so that you could have students drinking legally when they were 18 years old, would that be better or worse?

MR. KNAPP: You know, there was a move afoot a few years ago where a number of college presidents signed onto the idea of lowering the drinking age to 18. All I can tell you is I talked to our public health experts in this area and they were against that because they thought it would increase consumption and be bad for our students. And so we did not sign onto that, on the advice of our faculty experts.

MR. RUBENSTEIN: Your views on drinking?

MR. CABRERA: I come from a country where alcohol is seen differently, and doesn't have all this mystery surrounding it, where people can legally drink at 18. And yet, our public health experts and our student life professionals tell us it would be a terrible idea to lower the age.

MR. RUBENSTEIN: And you agree with that?

MR. DEGIOIA: I served seven years as dean of students. And without question, the most significant challenge we dealt with, year in and year out, was alcohol abuse.

MR. RUBENSTEIN: And what about sexual assault? Do you see the rise in that in your campuses or problems of sexual violence?

MR. KNAPP: You know, again, this is an issue that all universities are wrestling with. As you know, not only the Administration – that is, the Obama Administration, Department of Education, and Members of Congress have weighed in on this question. It's a challenge to really figure out how to adjudicate these cases, and it's a challenge that's increasingly demanded that we meet, that everyone's interested in finding a solution to what I think is a serious problem. I don't know that the incidence is – it has been increasing — as opposed to the attention to what's been occurring.

But we take this issue very seriously. It's a struggle, because you're dealing with cases often where there's just conflicting testimony. And as you may know, the federal standard now for finding a student guilty of a violation in this case is no longer clear and convincing evidence, but merely a preponderance of evidence, which means it's more likely than not that this occurred. And there's been a lot of anxiety about that on the part of law school faculty across the country, the worry that it can produce unjust outcomes. On the other hand, everyone takes this issue very seriously.

MR. RUBENSTEIN: Do you see this problem?

MR. CABRERA: It is a real issue. And the problem is not that the numbers are going up, it's that they're not going down. And you know, there is this statistic and the experts say, like, one in four – then we argue, is it one in four, one in five, one in six women of college age will suffer sexual violence? Like, don't get hung up on the five or the six or

the four, get hung up on the one. Every one case – we have to eradicate this. It's awful. It's really a bad situation. By the way, we're working very hard to do it. One of the things we're trying to do is have victims report. And so what you may see is an uptick in reports. That's a good thing. Don't think that, oh my gosh, now we're getting more sexual assault. It is a good thing if we start seeing an uptick in reports.

MR. RUBENSTEIN: Same?

MR. DEGIOIA: Same. Every case is a tragedy. And what we try to have in place is a safety net to catch our students at risk and to recognize and address the challenges as they emerge.

MR. KNAPP: The other thing that's not covered as much, I think, in the media, is the fact that all of our institutions have been really beefing up the amount of training that we're providing in our orientation sessions. So now we all are talking about this orientation, which was not a subject that would have been talked about, you know, 10 years ago. We would have talked about alcohol, but not about sexual assault. And I think we are all taking it very seriously. And none of us – none of us really can tolerate the notion that any student who comes on our campus would be subjected to sexual violence.

MR. RUBENSTEIN: What percentage of people who enter into your freshman classes actually graduate?

MR. KNAPP: High 80 percent in our case, and I'm sure –

MR. DEGIOIA: Ninety-five.

MR. RUBENSTEIN: Ninety-five.

MR. CABRERA: It's low in our case. We're great for our category of public universities. We're right below 70 percent.

MR. RUBENSTEIN: So when you were all growing up, presumably you didn't say I want to be a university president. Maybe you did. But how did –

MR. DEGIOIA: I didn't think of it the day before I got the position. [Laughter.]

MR. RUBENSTEIN: OK. So when did you decide as an academic that you didn't want to, let's say, do teaching anymore, you wanted to do administration? And was this a decision that you have ever regretted, or do you love being a university president?

MR. KNAPP: Well, in my case, I was moving across the country. I'd spent 16 years in California after having planned to spend 10 years there.

MR. RUBENSTEIN: You taught at Berkeley.

MR. KNAPP: I taught at Berkeley and was moving back. And I thought I was going to have a faculty position. I was offered some faculty positions and was getting ready to do that. And out of the blue, I was approached by Johns Hopkins to consider doing a deanship of arts and sciences, as you mentioned. And I thought, if I'm moving across the country anywhere, I might as well try something new. And that's –

MR. RUBENSTEIN: All right, so no regrets?

MR. KNAPP: No, actually I found it very interesting. What I discovered was that I was quite interested in a wide variety of fields and had a greater access to that, to the excitement of that, in an administrative position than I had being a faculty member in a very specialized department.

MR. RUBENSTEIN: What percentage of your time do you have to spend on fundraising?

MR. KNAPP: You know, when you report these things you usually say about a third. It's a little bit artificial, because there are often cases where you're interacting with many different communities that have a fundraising aspect to it or component. But roughly, it's a third.

MR. RUBENSTEIN: Do you spend a third of your time on fundraising?

MR. DEGIOIA: Yes, that's about right.

MR. RUBENSTEIN: And did you aspire to be a university president?

MR. DEGIOIA: I was minding my own business as a graduate student in 1982. And veterans of this breakfast will remember the president of Georgetown in those days was Father Timothy Healy. He was our president from '76 to '89, and one of the greatest leaders of the last half-century. He asked me to be his assistant while I was a graduate student. I did not know I was making a vocational decision at that moment, but that was 33 years ago and I've been in this role now 15. It's the greatest job you could ever ask for. I wouldn't trade places with anybody.

MR. RUBENSTEIN: Really? OK. So, you, you love being a university president?

MR. CABRERA: Well, first of all, it is a fantastic job. And you get to park anywhere on campus you want. [Laughter.] It's a terrific gig if you can get it. I came to the U.S. as a grad student. My English was terrible. My wife would argue some things don't necessarily change that much. But I could barely understand my professors the first week of class. If anybody had told me that one day I would be the president of one this country's great universities, I would have thought you are out of your mind. That's, by the way, something that only happens in this country, by the way. [Applause.]

MR. RUBENSTEIN: So in your case, when you're done being president of a university, would you ever like to go into government, or something else you'd like to do in your career? Or being president of a university is the highest –

MR. KNAPP: It's going to be hard for the audience to believe this, but that's something that never crosses my mind, actually. I'm just absorbed in what I'm doing right now. A

MR. RUBENSTEIN: OK, no interest in private equity –

MR. KNAPP: Well, I have an interest in lots of things. [Laughter.] I mean, I have an interest in many things. Private equity, though, is always out there, but – [laughter].

MR. DEGIOIA: My wife is always saying, when are you going to go into the for-profit sector, right? [Laughter.] This has been my life. And you know, living here in Washington, we do have this opportunity to see so many extraordinary women and men in service to our country. It is a privilege to be able to lead one of these institutions in this extraordinary city.

MR. RUBENSTEIN: What percentage of your students actually stay in the Washington area? You draw from all over the country, but do they stay here because they're drawn to Washington, or do they go back to where they came from?

MR. KNAPP: Actually, I think one of the things that these universities do – you know, we have 14 universities in our consortium of universities of metropolitan Washington. And it's about 150,000 students all together. Many of them come to this region and stay here. It's one of the reasons we have one of the most highly educated parts of the world right here in our neighborhood. And in our case, we have about a quarter million alumni, a little over 250,000 alumni, 70,000 of them live in the immediate D.C. area. So quite a large number stayed.

MR. DEGIOIA: About a quarter of our alumni would be here.

MR. CABRERA: Eight percent of ours.

MR. RUBENSTEIN: So do you have to deal with government officials a lot? And is that a very exciting experience, uplifting?

MR. DEGIOIA: We love every minute of it.

MR. RUBENSTEIN: Every minute of it? Who's better to deal with, local officials or federal officials, or they're all equally good?

MR. KNAPP: I don't say I could possibly choose between a mayor and a senator. I mean, I think they're both – [laughter] – they're great.

MR. RUBENSTEIN: But government cutbacks in spending for university research is significant. So do you have to spend more time trying to get money out of government now?

MR. DEGIOIA: Well, it's down 20 percent since the mid-'90s. NIH funding has been down in real dollars 20 percent since the mid-'90s. And it goes back to this question we were talking about earlier regarding the respect for public goods, the recognition that all of us are in this together, to educate and prepare the next generation of young people for our nation. And right now, it's showing up in the support for public higher education and it's showing up in the support for research for all of our institutions.

It's never been more difficult for a researcher to be funded. One out of six post-docs are getting on a tenure track line right now in the sciences. This is the most difficult environment to be practicing science in our lifetimes.

MR. RUBENSTEIN: And do you find that a lot of people are attracted to your university because it's in the Washington metropolitan area, they want to be closer to government or something in Washington? Is that a big attraction?

MR. CABRERA: In our case, it clearly is. In fact, the State Council of Higher Education in Virginia did some numbers about the salaries of the graduates of the different Virginia universities, and we came out number one for undergraduates, master's, and Ph.D.s. My colleagues in other fine universities in Virginia didn't like the results, they're still complaining. And when they accepted the results, they said, well, the only reason why you are number one is because of your location. To which we say, sure. What's your point? [Laughter.] I mean –

MR. RUBENSTEIN: So what could the Washington business community do to be more helpful to the universities in this region? I mean, I know all of you are involved in meeting with members of the business community from time to time. But what could they do to help you more?

MR. KNAPP: Well, I think that we are building partnerships that are going to be very important not just for our universities but also for the region and its economy. I mean, as government funding has declined for many industries, I think all of us have been interested in seeing a diversification of the economy here. I think it's one of the things that we really can contribute to the Nation's capital and the region that surrounds us, by helping build, for example, the tech corridor here that I think can be very powerful.

We don't have quite the environment that some other parts of the country have developed over the years, because we haven't had to, because we've been dependent on and reliant on and have enjoyed a tremendous amount of support from government funding for our industries here. We have probably the largest concentration of physicists within a 50-mile radius of where we're sitting right now – probably larger than any place else in the country. We can take advantage of that to help diversify our economy. And

building partnerships between universities and the surrounding businesses is going to be key to doing that.

MR. CABRERA: I mean, listen, everybody talks about Silicon Valley and Cambridge and this. There would be no Silicon Valley without Stanford and Berkeley up the road. And there is no way to build a competitive hub in the 21st century if it's not around world-class research universities. That's it.

So I think it's absolutely essential to the future of this region that we have very competitive, top-notch research universities, because those are the ones that attract talent. People who set up the Googles of the world and the Yahoos of the world, many of them come from outside of the United States. When you ask them, what drew you to the United States or to California and so forth, normally what they say is not that I wanted to set up Google or Yahoo. They say, I came here because I wanted to go to one of the top universities in the world.

MR. DEGIOIA: The level of R&D spending in Silicon Valley is roughly equivalent to what it is here. The difference is the level of commercialization of the research and the development that comes out of our two respective regions. We're more siloed here. If you look at the comparison between, say, Route 128, Silicon Valley, and Washington, we're far more siloed in this region. And I think we're in an inflection point right now for the greater Washington metropolitan area.

MR. RUBENSTEIN: So I mentioned at the beginning that all of you have George in your name. And is it true that George Washington really wanted a university? I said that at the beginning, but I don't know if that's true. Did George –

MR. KNAPP: In fact, he spelled it out, his vision for the university, in some detail in his last will and testament. It was actually, ironically enough, it was envisioned that the university would be located roughly where ours is now – what's now the Foggy Bottom campus. The university wasn't built initially because he left the provision for it in the form of stock in a canal company.

And when the canal was built, it was built on the Virginia side of the Potomac. And it was never profitable, so there was never any money to create the university, until a missionary named Luther Rice raised the funds, and that was what enabled him to go to President Monroe and to Congress at the time to charter the university that Washington envisioned. It was originally called Columbian College and it was located on what's now Meridian Hill, and moved to our current location in 1912.

MR. RUBENSTEIN: All right. George – who is George Mason?

MR. CABRERA: So George Mason, as you well know because you lectured our students recently on the subject, is the least-known of the founding fathers of this country. In fact, if you go to the National Archives, to the rotunda of the charters of

freedom, right next to where the Magna Carta is located, and you will see – you barely see George Mason.

He is kind of behind George Washington, and you barely see his face sticking out – [laughter] – because he made the mistake – he argued so vehemently about the fact that the United States Constitution should have a protection of individual freedoms, because the Constitution that was approved didn't include it, he refused to sign it, and his friendship with George Washington broke, and that sort of placed him literally in that second row of history. That's why I'm really delighted that we share the first name and a lot of people confuse me with the universities sitting next to me. And I'm just fine with that. [Laughter.]

MR. RUBENSTEIN: Now, Georgetown, is that named after King George, President George Washington? Where did the name Georgetown come from?

MR. DEGIOIA: What would you like the answer to that question to be? [Laughter.] Regrettably, you know, our name was already given to us before George Washington had the idea for a university. But we were January 1789, in the neighborhood of Georgetown. There's lots of lore as to what was the origin of that. Most think it was King George.

MR. RUBENSTEIN: So let me ask you one each final question. What would you tell students when they come to a university they should do to prepare? In other words, how should you be prepared to take advantage of a university? What do you tell students that they should do when you meet with them in the beginning, and they should be ready to do in the university?

MR. KNAPP: Well, the advice I give the students is get to know individual members of the faculty. I think that's the single most important advice that I can give them. And get to know their fellow students, because the networks they form will really pay off for the rest of their lives. You know, whatever city they go to around the world, in our case with our quarter-million alumni, they'll have that network if they build a strong community while they're undergraduates, while they're at the school.

But at the same time, getting to know those faculty members. You know, I often tell students, having office hours I know this from experience, if you're sitting in office hours and nobody comes, your office hours are a very lonely experience for a faculty member. Faculty members are eager to get to know students individually. And they will open doors for them that will change their lives and that will pay off the rest of their lives.

MR. RUBENSTEIN: All right. What advice do you give the students?

MR. CABRERA: What I say is come with an open mind and reach out to people who are different from you. I always say, learning doesn't happen when you very effectively convince others that they're wrong and that you're right. Learning happens when you start considering that maybe your assumptions may be flawed. And the place where that

happens is when you reach out. And you're liberal, you meet a conservative. You're white, you work with a black person. You're local, you work with an international student. That's when the learning truly takes place.

MR. RUBENSTEIN: What advice do you tell students?

MR. DEGIOIA: Well, the most important thing that happens during an undergraduate's career is they engage in the work of formation – the formation of their intellect, the formation of their heart, the formation of their soul. And the conceit of the university, the idea of the university, is that the best way to frame the work of formation in our context is around knowledge, is around understanding the methodologies, understanding the current state of knowledge. And the best guides for that are our faculty, and then their conversations with one another.

There are lots of different ways to engage in formation in our world. You can become a part of the military. You can join a religious order. You can be involved in an entrepreneurial venture. The idea of the university, formation takes place built around knowledge. And in recognizing that, finding that passion that we were talking about earlier and enabling yourself to discover the conditions that enable you to be your very best self, your most authentic self, is the most important work you can engage in during those years.

MR. RUBENSTEIN: So, as I think you can all see, we have three outstanding individuals heading three outstanding universities. And I'm going to give them a hand. Thank you very much for being with us. [Applause.] On behalf of the members of The Economic Club of Washington, I'm giving each of you a gift: a replica of the first map of the District of Columbia.

Thank you very much. Thank you. [Applause.]



Dr. Ángel Cabrera, President, George Mason University

Dr. Ángel Cabrera is entering his fourth year as president of George Mason University, the largest public university in Virginia and one of the top 200 research universities in the world as selected by the Academic Ranking of World Universities.

Before becoming Mason's sixth president, Dr. Cabrera led two internationally renowned business schools: Thunderbird School of Global Management in Arizona and IE Business School in Madrid in his native Spain. As a senior advisor to the United Nations Global Compact, Dr. Cabrera led the creation of "The Principles for Responsible Management Education," which has been adopted by more than 500 business schools around the world.

In 2004, *Business Week* named Dr. Cabrera one of 25 “Stars of Europe,” and in 2011 the *Financial Times* recognized him as one of the top 20 business school leaders in the world. The Aspen Institute named Dr. Cabrera a Henry Crown Fellow in 2008. Dr. Cabrera’s most recent book, *Being Global: How to Think, Act and Lead in a Transformed World*, was published by *Harvard Business Review* in 2012.

Dr. Cabrera holds BS and MS degrees in engineering from the Universidad Politécnica de Madrid, and earned MS and PhD degrees in psychology and cognitive science at the Georgia Institute of Technology.

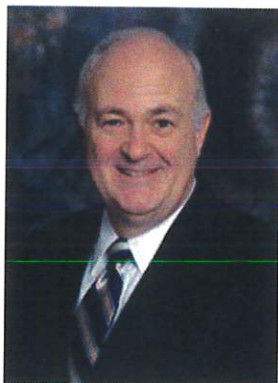


Dr. John J. DeGioia, President, Georgetown University

For over three decades, President DeGioia has defined and strengthened Georgetown University as a premier institution for education and research. A Georgetown alumnus himself, Dr. DeGioia served as a senior administrator and as a faculty member in the Department of Philosophy before becoming Georgetown's 48th president in 2001.

As President, Dr. DeGioia is dedicated to deepening Georgetown's tradition of academic excellence, its commitment to its Catholic and Jesuit identity, its engagement with the Washington, DC, community, and its global mission. Under his leadership, Georgetown has become a leader in shaping the future landscape of higher education, and is closing out a \$1.5 billion fund-raising campaign dedicated to enhancing the lifelong value of a Georgetown education.

Dr. DeGioia is a leading voice in addressing broader issues in education. He currently serves as Chair of the Board of Directors of the Forum for the Future of Higher Education, as a member of Carnegie Corporation of New York and the National Association of Independent Schools, and as Vice Chair for the American Council on Education. He also serves on the Division I Committee on Academics for the NCAA, and as a commissioner on the Knight Commission on Intercollegiate Athletics.



Dr. Steven Knapp, President, The George Washington University

Steven Knapp became the sixteenth president of the George Washington University in August 2007. His priorities include enhancing the university's partnerships with neighboring institutions, expanding the scope of its research, strengthening its worldwide community of alumni, enlarging its students' opportunities for public service, and leading its transformation into a model of urban sustainability.

A specialist in Romanticism, literary theory, and the relation of literature to philosophy and religion, Dr. Knapp taught English literature at the University of California, Berkeley, before serving as dean of arts and sciences and then provost of The Johns Hopkins University. He is a fellow of the American Academy of Arts and Sciences, a member of the Council on Foreign Relations, and chair of the Atlantic 10 Conference Council of Presidents. He serves on many professional and civic boards, including the Economic Club of Washington; World Affairs Council - Washington, DC; Consortium of Universities of the Washington Metropolitan Area; National Symphony Orchestra; American College & University Presidents' Climate Commitment; Council of the Confucius Institute Headquarters; and Al Akhawayan University in Ifrane, Morocco.